

DISTRICT SUPERVISOR USE OF COST SHARE PROGRAMS FUNDS

Background

~~The~~ During the 1995 General Assembly, General Statute 139 was amended ~~enacted Senate Bill 917~~ to address the use of cost share program funds by district supervisors. ~~The practice of Supervisors obtaining Cost Share Program funds has been questionable under state law which regulates the availability of grants contracts to members of boards and commissions who administer those grant programs.~~ The purpose of this legislation ~~was~~ is not to limit supervisors' eligibility for cost share program funds but to provide a clear legal process for supervisors to be considered for, and participate in, cost share program grants contracts.

~~Senate Bill 917 amended General Statute 139, Sections 4 and 8, of the District Law to address the availability of cost share programs to supervisors.~~ Specifically, the new this law sets the two following requirements for a district supervisor or commission member to apply for and receive a contract grant ~~under through the a commission~~ cost share program:

1. The district supervisor or commission member does not vote on the application or attempt to influence the outcome of any action on the application, and
2. The application is approved by the commission.

To comply with this General Statute amendment, supervisor contracts must receive commission approval ~~on a case by case basis~~ prior to approval by the division. This includes contracts for land owned or operated by supervisors or for which the supervisor has a financial interest. A Supervisor serving on the C Commission members must follow a similar process with final approval from the Commissioner of Agriculture. ~~A Supervisor designation process is discussed below and becomes effective with PY 96 allocations. These processes are described below and in § 139-4(e) and § 139-8(b).~~

When completing the name and address of the applicant and landowner on a cost share program application form ~~the NC-ACSP-1, Application form~~, the district **must always designate if they are a district supervisor or non-district supervisor (NDS)**. ~~The NC-ACSP-3, Request for payments, also contains a field titled for designation of Supervisor status. These fields on each of the Cost Share Program forms must always be completed designating the applicant and landowner as a DS or NDS.~~ Also, for a District Supervisor, ~~either~~ The Supervisor Contract Addendum or Commission Member Addendum form NC-ACSP-1A and NC-ACSP-1B must be completed and submitted with the contract. If the applicant is the District Chair, the Vice Chair of the Board of Supervisors must sign the NC-ACSP-1B form as the representative for the district.

The Soil and Water Conservation Commission, at its May 13, 1998 meeting approved ~~the following additional~~ guidance ~~to the division staff~~ in reference to ACSP contracts for ~~commission members and~~ district supervisors and commission members.

Guidance:

- If a district supervisor or commission member lives in one district and applies for cost share in another district, his or her contract is required to be approved ~~on a case by case basis~~ by the Soil and Water Conservation Commission prior to approval by the division.
- Repairs, revisions and supplements for supervisor and commission member contracts require ~~C~~commission approval ~~on a case by case basis~~ prior to approval by the division as described in § 139-4 (e) and § 139-8(b)n-
- ~~Revisions for supervisor contracts do not require Commission approval on a case by case basis prior to approval by the Division.~~
- ~~Supplements for supervisor contracts do not require Commission approval on a case by case basis prior to approval by the Division.~~
- ~~Six-month extensions for supervisor contracts permitted under the Commission's Policy on Interim Performance Measures for Agriculture Cost Share Program Contracts may be approved by the district board and do not require cCommission approval. -on a case by case basis.~~
- In January 2002 the commission clarified that it wanted to have information presented to assure that district supervisor and commission member contracts were not given preferential consideration. The commission now requires the following information to be submitted for its consideration for all ~~AGSP~~ contracts for district supervisors and commission members:

~~4.~~ Score on priority ranking sheet

- 1.
2. How the contract ranked relative to others considered (e.g., ranked 8th out of 12 projects presented)
3. Whether any higher or equally ranked contracts were denied.
If answer to 3 is yes, then give an explanation as to why the district supervisor's or commission member's contract was approved over the other contracts.